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ACTION WHA-00

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	UTED-00	TEDE-00	INR-00	IO-00	L-00	NEA-00	DCP-00
	OIC-00	OIG-00	OMB-00	NIMA-00	PA-00	GIWI-00	DOHS-00
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 WHITE HOUSE PASS NSC/WEUROPE, NSC/WHA

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SUBJECT: MEDIA REACTION: GLOBAL ECONOMY; WESTERN
 HEMISPHERE; IRAN; GLOBAL WAR ON TERROR

GLOBAL ECONOMY

1. "The Doha round survives, but barely"
 The leading Globe and Mail opined (12/20): "The best that can be said for the last-ditch compromise at the World Trade Organization talks in Hong Kong is that it will keep all sides at the bargaining table as they search for a genuine breakthrough that will tear down unfair barriers to trade and investment. This is no small achievement, but it leaves the tough problems unresolved and falls far short of the gains necessary to ensure that the current Doha round of trade liberalization might reach a successful end.... In the end, governments settled for a face-saving deal that brings the world no closer to a more robust, open and multilateral trading system with enormous benefits for rich and poor nations alike. They must do considerably better in the critical months ahead if they do not want the Doha round to go down in flames."

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2. "World trade talks defy doomsayers"

The liberal Toronto star commented (12/20): "...Despite their initial forecasts of doom, the experts were happily proven wrong in the end. In frantic round-the-clock talks over the final two days, including one last session in which negotiators downed 350 cups of coffee in an effort to stay awake, a modest, yet welcome, consensus was finally achieved. Though far less than hoped for in Doha, the prospective agreement nevertheless contains far more than was expected, with both sides predictably claiming they gave up far more than they received.... Beyond those concrete, if modest, achievements, the negotiators also came up with a general framework for industrial tariff cuts, and a text to guide further negotiations on the sensitive issue of trade in services. What that means, and what all the participants readily acknowledged, is that there remains a great deal of work to do in 2006 to actually reach an agreement that will be acceptable to both rich and developing nations. But, at least, the direction is still positive."

WESTERN HEMISPHERE

3. "What Bolivia risks"

The leading Globe and Mail editorialized (12/20): "Sick of corrupt old-line political parties, tired of the U.S.-led campaign on cocaine cultivation and angry at what they consider the plundering of Bolivia's natural-gas wealth, Bolivians made it clear before Sunday's presidential election that they want change. Well, they are going to get it now. The apparent winner, Evo Morales, is a left-wing rabble-rouser who wants to seize control of Bolivia's natural resources from greedy 'transnationals' and decriminalize the growing of coca, the raw material of cocaine.... To many Bolivians, Mr. Morales's brave talk of battling globalization and standing up to the Americans has a satisfying ring. But his formula of Yankee-bashing, statism and economic nationalism has been tried before in Latin America, with disastrous results.... It would be madness to return to those discredited policies now. Yet that is precisely what some Latin American governments seem prepared to do. Bolivia and Venezuela are not the only countries turning left. Brazil has a left-leaning, though pragmatic, president, Luiz Inacio de Silva. Peru has seen the rise of a former military officer, Ollanta Humala, who hopes to follow Mr. Morales's populist road to the presidency. Argentina's Morales's populist road to the presidency. Argentina's

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President Nestor Kirchner delights in bashing the International Monetary Fund, while Uruguay's government has been cozying up to the egregious Mr. Chavez. If Bolivia continues the leftward lurch, it is bound to suffer. Mr. Morales's threats against foreign energy companies have already hurt the country's economic hopes, which rest on its huge gas reserves. It needs outside help and capital to exploit them. His hostility to the United States could hurt, too. Washington wants to negotiate a free-trade agreement with Bolivia, as it recently did with Peru. That would help protect the 100,000 Bolivians who work making clothing, jewellery and other goods for export. The U.S. is also offering hundreds of millions of dollars in aid, but only if the government helps suppress the growing of coca. Mr.

Morales defends the plant, which he claims has many legal, traditional uses among Bolivian Indians.... Mr. Morales says he will become Washington's 'nightmare' when he takes office. If he implements his backward promises, the nightmare will be Bolivia's."

IRAN

4. "The lame response to Iran's nuclear aspirations is a ticking time bomb"

The left-of-center Vancouver Sun observed (12/20):

"Iranian President Mahmoud Ahmadinejad has clearly outlined his political agenda and it would be a mistake for anyone to think that his hate-filled threats against Israel are the ravings of a lunatic.... The international response to Iran's sabre-rattling has been anemic. The European Union told Tehran it will 'keep its diplomatic options under close review,' and hasn't ruled out sanctions. That seems a lame reprimand for a member of the United Nations threatening another with nuclear annihilation. The United States must take some of the blame for the rise of another dangerous, belligerent antagonist on the world stage. When the U.S. vowed to take action against the 'axis of evil' - rogue nations trying to acquire nuclear arsenals in 2002 - it caused panic in those regimes. It was under that threat that Libyan leader Muammar Gaddafi scuppered a secret partnership with Iran and North Korea to develop a nuclear weapon and joined the community of civilized nations.

More recent diplomatic efforts under Secretary of State Condoleezza Rice have taken a gentle approach, treating the offending regime with respect and using the art of persuasion. So far, speaking softly has only emboldened

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Iran's leaders. The international community should take the Iranian president at his word. We've seen this kind of belligerence before. Egyptian leader Gamal Nasser made similar threats against Israel leading up to the 1967 war, which - along with his embrace of the Palestinian cause (and this was before there were any 'occupied territories') - cemented his legitimacy at home and made him the undisputed leader in the Arab world. Had Israel not destroyed the Egyptian airforce, the Jewish state would have ceased to exist. Iran poses a threat not just to Israel but to the world. Its nuclear aspirations should be limited to civilian purposes. If, however, building a nuclear arsenal is its aim, the message from the nations of the world should be made forcefully that all options - from economic sanctions to the bombing of nuclear sites - are under active consideration."

GLOBAL WAR ON TERROR

5. "Little Red Book flap provides chilling look at U.S. security"

International affairs columnist Jonathan Manthorpe noted in the left-of-center Vancouver Sun (12/20):

"Americans are beginning to wake up to the number of their traditional national values that the administration of President George W. Bush has jettisoned in the ineptly named 'war on terror' and they are increasingly unhappy about it.

So Bush at his annual year-end press conference on Monday spent most of the time attempting to justify the latest revelation that he secretly authorised in 2002 the unchecked spying on Americans. This adds to Bush's already significant abandonment of American values such as the junking of the Geneva Convention on the treatment of prisoners, the setting up of secret treatment of prisoners, the setting up of secret prisons away from the reach of American law, the denial of any judicial process for prisoners, and the reinterpretation of laws and regulations to allow for the torture of detainees. The administration's spying on Americans has become an issue after last week's revelation by The New York Times that Bush signed a secret order permitting the National Security Agency (NSA) to monitor the phone calls and e-mails of Americans without first having to get a court warrant.... At his press conference Bush trotted out the now familiar catch-all defence: That the September 2001 attacks on Washington and New York justify anything and everything in response.... A few months ago a majority of the American people and the political

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class were prepared to accept this justification. Not any more. The notion is now firmly fixed that the Bush administration has sought to deceive the American people too many times for it to be believed or trusted. Last week the Senate blocked renewal of the Patriot Act over concerns about the president's attitude towards civil liberties. And the White House was forced to abandon its threat to veto legislation that will place a blanket ban on the use of torture by Americans at home or abroad. If he can obtain a copy without coming under scrutiny, it might be a good idea for Bush to read Mao's Little Red Book and learn what happens to leaders who believe their own propaganda."

WILKINS

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